

## **RMD Bulletin**

*Knowledge is power...*



# **DMH Instructs Providers to HOLD Medi/Medi Claims**



Last year, the State Department of Mental Health (State DMH) published the gross billing rules for Short-Doyle/Medi-Cal Phase II (SDMC Phase II) in relation to claims for those clients who have both Medicare and Medi-Cal (Medi/Medi). In brief, counties were asked to demonstrate that claims for these clients had been adjudicated by Medicare prior to billing Medi-Cal; if Medicare had not adjudicated these claims, then they were not billable to Medi-Cal. The Los Angeles County Department of Mental Health (LACDMH) along with other California counties and the County Mental Health Directors Association (CMHDA) urged the State to reconsider because many of the services county mental health providers render under the Rehab Option are not Medicare billable. Recently, after months of negotiation, the Center for Medicare and Medicaid Services (CMS) came to an agreement with the State Department of Health Care Services (DHCS) and the State DMH on allowing county mental health providers to only bill Medicare for those services that are Medicare billable.

State DMH and DHCS are currently reviewing the policy and/or regulatory changes or adjustments that would be necessary to put these new rules in place including how those changes would be implemented technically. They have asked CMHDA to help find a way to implement that takes into consideration the needs of counties. LACDMH is on the CMHDA team assigned to this task. We do not have a timeline from the State, however, once an implementation strategy is developed, the State will announce/publish the coding changes and then LACDMH will update the Integrated System (IS) accordingly and pass along how the changes will be implemented locally.

Overall, because of the way LACDMH built the gross billing requirements into the IS, once the State determines how they will implement, it should not take long for LACDMH to put those changes in place for our providers. Because of all the changes around these types of claims, **directly operated and contract providers must delay submitting Medi/Medi claims to Medi-Cal until the appropriate changes have been implemented at the State and locally in the IS. Providers who do not hold Medi/Medi claims and have those claims denied by the State will not be able to void those denials and submit new claims until the void functionality for SDMC Phase II claims becomes available in the IS later this year.**

*Please note that while these issues are still under review on the State level, providers should enroll eligible staff as Medicare providers if there is a chance that you will see a client who has Medicare.*

**We're here to help you...**

If you have any questions or require further information, please do not hesitate to contact RMD at (213) 480-3444 or [RevenueManagement@dmh.lacounty.gov](mailto:RevenueManagement@dmh.lacounty.gov).